P 061351Z NOV 08 FM AMEMBASSY STOCKHOLM TO SECSTATE WASHDC PRIORITY 3869 INFO AMEMBASSY MADRID PRIORITY DIA WASHDC PRIORITY CIA WASHDC PRIORITY DEPT OF COMMERCE WASHINGTON DC PRIORITY NSC WASHDC PRIORITY

S E C R E T STOCKHOLM 000744

E.O. 12958: DECL: 11/05/2018

TAGS: <u>ETRD ETTC KOMC MCAP PARM IR SW</u>
SUBJECT: SWEDES CONTACT EUROPEAN HELICOPTER SERVICE

REGARDING TRANSFER OF BELL HELICOPTERS

REF: A. STOCKHOLM 609 ¶B. STOCKHOLM 423

¶C. STATE 92567

¶D. 06 STOCKHOLM 243

Classified By: Acting Deputy Chief of Mission Marc Koehler for reasons 1.4 (b) and (d)

- 11. (C) Jan-Erik Lovgren, Deputy Director General of the Swedish Inspectorate of Strategic Products (ISP), told us on November 4 that ISP has contacted European Helicopter Service (EHP) regarding the suspected transfer of three Bell 212 helicopters, originally from Israel, but currently stored in Sweden. Lovgren reminded EHS Director Helena Pariza that EHS must seek re-export authorization from the U.S. government prior to exporting these helicopters from Sweden to Spain. He requested a letter from Pariza confirming her obligation to provide full information regarding end-users and explaining her future plans for the three helicopters. Lovgren also requested that EHS notify ISP prior to any transportation of the helicopters.
- 12. (C) Pariza replied to the ISP that EHS would like to transfer these helicopters to a hangar owned by a sister company in Spain to determine the condition of the helicopters after more than two years of storage in Sweden. She maintained that the helicopters cannot obtain airworthiness certificates due to changes in EU regulations, and that she is contemplating decommissioning them. has instructed her legal representatives in Sweden (Setterwalls) to advise her on the proper procedure for transporting the helicopters within EU territory and without any transfer to a new end-user. She assured ISP that EHS would act in accordance with all U.S. government and EU regulations.
- 13. (S) Comment: According to post contact Arnold Sundquist, an aviation inspector contracted by EHS, the company has previously sought to move the three helicopters from Sweden to Spain without contacting ISP or seeking re-export permission, and has allowed Iranian nationals to inspect the helicopters on at least two occasions. Despite assurances from Mariza that EHS will comply with all USG and EU regulations, post remains concerned that the aircraft could end up in Iranian hands once transferred to Spain, especially if they are decommissioned, as Mariza is currently contemplating.

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